

In the Claims:

Claims 1-23 (Canceled).

24. (Currently Amended) A method of compensating in an optical system comprising:

~~providing polarized light;~~

retarding ~~the~~ polarized light using a quarter-wave compensator in an on-state responsive to a first state of a DC balancing signal to provide retarded light and avoiding retarding the polarized light using the quarter-wave compensator in an off-state responsive to a second state of the DC balancing signal, that is opposite the first state;

imparting information on the retarded polarized light using a quarter-wave imager in an on-state responsive to the first state of the DC balancing signal to provide imaged retarded polarized light and avoiding imparting information on the retarded polarized light using the quarter-wave compensator in an off-state responsive to the second state of the DC balancing signal;

reflecting the imaged retarded polarized light back toward the quarter-wave compensator and the quarter-wave imager to provide reflected and retarded polarized light;
and

further retarding the reflected and retarded polarized light using the quarter-wave compensator and the quarter-wave imager.

25. (Currently Amended) The method of claim 24 ~~wherein~~ further comprising:
providing polarized light ~~comprises~~ by reflecting light off of a polarized reflector.

26. (Currently Amended) The method of claim 24, wherein further retarding ~~comprises providing forms~~ an output light, the method further comprising transmitting the output light through a polarizing reflector.

27. (Original) The method of claim 24, wherein retarding the polarized light comprises retarding by an odd multiple of one-quarter of the wavelength of the polarized light.

28. (Original) The method of claim 24 wherein retarding and further retarding comprise retarding and further retarding within the same device.

Claims 29-40 (Canceled).